

107TH CONGRESS
1ST SESSION

H. R. 502

To amend the Foreign Assistance Act of 1961 to establish a coordinated program to provide economic and development assistance for the countries of the Caribbean region.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2001

Mr. GALLEGLY introduced the following bill; which was referred to the
Committee on International Relations

A BILL

To amend the Foreign Assistance Act of 1961 to establish a coordinated program to provide economic and development assistance for the countries of the Caribbean region.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Caribbean Regional
5 Assistance Act of 2001”.

6 **SEC. 2. FINDINGS.**

7 The Congress makes the following findings:

1 (1) The 16 countries of the Caribbean region
2 constitute a “third border” with the United States
3 because of the proximity and importance of coun-
4 tries in this region as a tourist destination.

5 (2) Unemployment, weak judicial systems, envi-
6 ronmental degradation, and natural disasters in the
7 Caribbean region directly affect the well-being of the
8 United States and the future of the countries in this
9 region will inevitably affect the future of the United
10 States.

11 (3) The public sector in many Caribbean coun-
12 tries lacks appropriate training and clearly defined
13 authority and needs to become more efficient.

14 (4) In the 1990’s economic growth in the Carib-
15 bean region lagged seriously behind economic growth
16 in the Latin American region. This discrepancy will
17 produce significantly lower living standards and
18 lower levels of tax revenues with which to address
19 critical social needs for the Caribbean region.

20 (5) Highly trained labor is often unavailable in
21 the Caribbean region and governmental red tape lim-
22 its the ability of the private sector to take full ad-
23 vantage of opportunities in the world marketplace.

24 (6) Heavy reliance on relatively few exports and
25 tourism products and the relatively high cost of

1 transportation and telecommunications services fur-
2 ther constrain growth in the Caribbean region.

3 (7) A more regional corporate strategy for busi-
4 ness success and competition in the global market-
5 place needs to be developed for the Caribbean re-
6 gion.

7 (8) Many small Caribbean countries are facing
8 severe economic and social stress due to the decline
9 in banana production and the prospective loss or
10 curtailment of existing European Union trade pref-
11 erences.

12 (9) Economic displacement of small farmers
13 and individuals employed in the supporting infra-
14 structure of the banana industry—individuals who
15 comprise approximately 50 percent of the workforce
16 of some Caribbean countries—will continue and will
17 place added pressures on the economies of these
18 countries.

19 (10) In the small open economies of countries
20 in the Caribbean region, growth can only be achieved
21 as the policies and products of these countries, both
22 goods and services, become increasingly competitive
23 in the global market.

24 (11) Deterioration in economic, social, and po-
25 litical conditions in the small countries of the Carib-

1 bean region is leading to increased crime in the re-
2 gion and increased illegal immigration to the United
3 States.

4 (12) The United States is also concerned about
5 narcotics trafficking in the Caribbean region, par-
6 ticularly with respect to continuing bilateral coopera-
7 tion with Caribbean governments in drug interdic-
8 tion and combating money laundering.

9 (13) The economic and social development of
10 the Caribbean region depends on the efficiency and
11 fairness of the legal systems of this region. There is
12 a widespread perception that the legal systems in
13 the Caribbean region are inefficient and ineffective
14 and that the administration of law and the quality
15 of justice that is rendered needs to be improved.

16 (14) The ecosystems which sustain the econo-
17 mies of the countries of the Caribbean region,
18 whether based on agriculture, fisheries, or tourism,
19 are under severe and increasing stress.

20 (15) Environmental problems in the Caribbean
21 region arise from inadequate and inappropriate
22 waste management, land use practices, and coastal
23 zone management.

24 (16) The Caribbean region currently has the
25 highest HIV/AIDS prevalence rate of any region in

1 the world other than sub-Saharan Africa. Out of the
2 12 countries with the highest HIV/AIDS prevalence
3 rates in Latin America and the Caribbean region, 9
4 are in the Caribbean region. HIV/AIDS has spread
5 to the general population in 5 countries in the Car-
6ibbean region, and in other Caribbean countries the
7 epidemic is accelerating rapidly and is poised to
8 strike the remaining general populations.

9 (17) The enactment in 1983 of the Caribbean
10 Basin Economic Recovery Act represented a success-
11ful commitment by the United States to encourage
12 the development of strong democratic governments
13 and revitalized economies in neighboring countries in
14 the Caribbean region.

15 (18) In May 1997, United States and Carib-
16bean leaders met in Bridgetown, Barbados, and
17 pledged to strengthen cooperation in responding to
18 the challenges of the coming millennium.

19 (19) The Bridgetown Barbados Summit com-
20mits the United States and signatory Caribbean
21 countries to a Plan of Action in the areas of trade,
22 economic development, and justice and security.

23 (20) In April 1998 leaders from the Western
24 Hemisphere nations met in Santiago, Chile, and
25 noted in their summit declaration that “the real eco-

1 nomic benefits in the Americas [result] from more
2 open trade, transparency in economic regulations,
3 sound market-based policies, as well as efforts by the
4 private sector to increase competitiveness”.

5 (21) The United States is committed to com-
6 pleting a Free Trade Area of the Americas (FTAA)
7 process by 2005 in order to expand markets for
8 United States goods and services and to help ensure
9 safe destinations for United States foreign invest-
10 ment.

11 **SEC. 3. AMENDMENT TO FOREIGN ASSISTANCE ACT OF**
12 **1961.**

13 Part I of the Foreign Assistance Act of 1961 (22
14 U.S.C. 2151 et seq.) is amended by adding at the end
15 the following:

16 **“CHAPTER 13—ASSISTANCE FOR THE**
17 **CARIBBEAN REGION**

18 **“SEC. 499N. PURPOSE.**

19 “The purpose of this chapter is to provide assistance
20 for the countries of the Caribbean region to promote
21 broad-based, sustainable, and successful economic develop-
22 ment and growth that emphasizes small economy diver-
23 sification, technical training, trade enhancement, judicial
24 reform, environmental management, and other related
25 goals.

1 **“SEC. 499O. AUTHORIZATION.**

2 “The President, acting through the Administrator of
3 the United States Agency for International Development,
4 is authorized to establish and carry out a coordinated pro-
5 gram to provide assistance for the countries of the Carib-
6 bean region to support the economic and development ac-
7 tivities described in section 499P.

8 **“SEC. 499P. ACTIVITIES.**

9 “Activities that may be supported by assistance
10 under section 499O include the following:

11 “(1) IMPROVEMENT OF GOVERNMENTAL INSTI-
12 TUTIONS.—Activities to improve the quality and ca-
13 pacity of governmental institutions of countries of
14 the Caribbean region, including activities—

15 “(A) to provide technical assistance and
16 training for institutions that provide customs
17 services, revenue collection, or institutions
18 which promote investment opportunities;

19 “(B) to provide assistance for specialized
20 training to judges and magistrates in order to
21 improve efficiency and to reduce case backlogs
22 of Caribbean court systems; and

23 “(C) to coordinate and consolidate admin-
24 istrative procedures and to expand the use of
25 alternative dispute resolution mechanisms.

1 “(2) ECONOMIC DIVERSIFICATION.—Activities
2 to improve the economic diversification of countries
3 of the Caribbean region, including activities—

4 “(A) to provide technical assistance and
5 training to such countries to develop more fo-
6 cused regional business strategies to increase
7 the development of new businesses and stimu-
8 late competition among businesses;

9 “(B) to increase lending assistance to
10 small and micro-enterprises, to improve institu-
11 tions that provide training for such enterprises,
12 and to enhance the ability of such enterprises
13 to market products and increase production ca-
14 pacity;

15 “(C) to promote compliance by such coun-
16 tries and regional organizations with the World
17 Trade Organization (WTO) and the proposed
18 Free Trade Area of the Americas (FTAA);

19 “(D) to promote the tourism industry of
20 the Caribbean region through the development
21 of community-based tourism, sustainable tour-
22 ism, and public-private partnerships; and

23 “(E) to promote the diversification of the
24 agricultural sector by improving the production

1 and marketing of competitive, non-traditional
2 agricultural commodities.

3 “(3) ENVIRONMENTAL MANAGEMENT.—Activi-
4 ties to increase the capacity of governments of coun-
5 tries of the Caribbean region to provide environ-
6 mental management services, including activities—

7 “(A) to fund programs to strengthen envi-
8 ronmental management organizations and legal
9 frameworks; and

10 “(B) to increase public awareness of and
11 encourage public compliance with environmental
12 regulations.

13 “(4) HIV/AIDS PREVENTION AND TREAT-
14 MENT.—Activities to reduce the rate of HIV/AIDS
15 in countries of the Caribbean region and to provide
16 treatment for individuals with HIV/AIDS in such re-
17 gion.

18 **“SEC. 499Q. CREDIT ASSISTANCE.**

19 “In carrying out the program authorized under sec-
20 tion 499O, the President is encouraged to provide credit
21 assistance to carry out the economic and development ac-
22 tivities described in section 499P. The provisions of sec-
23 tion 107A(d) (relating to general provisions applicable to
24 development credit authority), as proposed to be added to
25 this Act by section 306 of H.R. 1486 (as reported in the

1 House of Representatives in the 105th Congress), shall
2 apply with respect to credit assistance provided under the
3 program.

4 **“SEC. 499R. DEFINITIONS.**

5 “In this chapter:

6 “(1) COUNTRIES OF THE CARIBBEAN RE-
7 GION.—The term ‘countries of the Caribbean
8 region’—

9 “(A) means Antigua and Barbuda, the
10 Commonwealth of the Bahamas, Barbados,
11 Belize, the Commonwealth of Dominica, the
12 Dominican Republic, Grenada, the Co-operative
13 Republic of Guyana, the Republic of Haiti, Ja-
14 maica, Saint Kitts and Nevis, Saint Lucia,
15 Saint Vincent and the Grenadines, the Republic
16 of Suriname, and the Republic of Trinidad and
17 Tobago; and

18 “(B) includes Montserrat.

19 “(2) HIV/AIDS.—The term ‘HIV/AIDS’ means
20 infection with the human immunodeficiency virus.
21 Such term includes the acquired immune deficiency
22 syndrome.

23 **“SEC. 499S. AUTHORIZATION OF APPROPRIATIONS.**

24 “(a) IN GENERAL.—In addition to amounts other-
25 wise available for the purposes of this chapter, there are

1 authorized to be appropriated to carry out this chapter
2 \$8,000,000 for each of the fiscal years 2002 through
3 2006.

4 “(b) AVAILABILITY.—Amounts appropriated pursu-
5 ant to the authorization of appropriations under sub-
6 section (a) are authorized to remain available until ex-
7 pended.”.

8 **SEC. 4. USAID OFFICE FOR THE CARIBBEAN REGION.**

9 The Administrator of the United States Agency for
10 International Development is authorized to establish an
11 office in Bridgetown, Barbados, or in another appropriate
12 country in the Caribbean region, for the purpose of car-
13 rying out chapter 13 of part I of the Foreign Assistance
14 Act of 1961, as added by section 3 of this Act.

15 **SEC. 5. REPORT.**

16 (a) REPORT.—

17 (1) IN GENERAL.—Not later than 90 days after
18 the date of the enactment of this Act, the Adminis-
19 trator of the United States Agency for International
20 Development shall prepare and submit to the appro-
21 priate congressional committees a report that con-
22 tains a proposed plan to implement chapter 13 of
23 part I of the Foreign Assistance Act of 1961, as
24 added by section 3 of this Act.

1 (2) PLAN REQUIREMENTS.—The plan referred
2 to in paragraph (1) shall contain, at a minimum, the
3 following:

4 (A) Key objectives for assistance to be pro-
5 vided under chapter 13 of part I of the Foreign
6 Assistance Act of 1961 for countries in the Car-
7 ibbean region.

8 (B) Actions required to support and
9 achieve such objectives, including a schedule
10 and cost estimates for implementing such ac-
11 tions.

12 (C) A description of the benchmarks to be
13 used to measure the progress toward such ob-
14 jectives.

15 (D) A description of how such objectives
16 relate to and affect the overall United States
17 objectives for the Western Hemisphere and
18 worldwide.

19 (b) DEFINITION.—In this section, the term “appro-
20 priate congressional committees” means the Committee on
21 International Relations of the House of Representatives
22 and the Committee on Foreign Relations of the Senate.

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